

STATE OF SOUTH CAROLINA

Application of

Duke Energy Carolinas, LLC
for Approval of Energy Efficiency Plan Including
an Energy Efficiency Rider and Portfolio of Energy
Efficiency Programs.

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET
NUMBER: 2007-358-E

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<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input checked="" type="checkbox"/> Other: Testimony of James E. Rogers	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
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BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2007-358-E

In re:)
Application of Duke Energy Carolinas, LLC)
For Approval of Energy Efficiency Plan)
Including an Energy Efficiency Rider and)
Portfolio of Energy Efficiency Programs)
)

**TESTIMONY OF
JAMES E. ROGERS FOR
DUKE ENERGY CAROLINAS**

1 **I. INTRODUCTION AND PURPOSE**

2 **Q. PLEASE STATE YOUR NAME, ADDRESS AND POSITION WITH DUKE**
3 **ENERGY CORPORATION.**

4 A. My name is James E. Rogers, and my business address is 526 South Church Street,
5 Charlotte, North Carolina. I am Chairman, President and Chief Executive Officer of
6 Duke Energy Corporation ("Duke Energy"), the parent of Duke Energy Carolinas,
7 LLC ("Duke Energy Carolinas" or the "Company"). I am a director and an officer
8 of Duke Energy Carolinas.

9 **Q. PLEASE DESCRIBE BRIEFLY YOUR EDUCATIONAL AND**
10 **PROFESSIONAL BACKGROUND.**

11 A. I received a Bachelor's Degree in Business Administration (1970) and law degree
12 (1974) from the University of Kentucky. Prior to assuming my current position at
13 Duke Energy in April 2006, I was Chairman and Chief Executive Officer of Cinergy
14 Corp. ("Cinergy"). I helped create Cinergy in 1994 through the merger of PSI
15 Resources, Inc. ("PSI"), the parent company of PSI Energy, Inc., ("PSI Energy") and
16 The Cincinnati Gas & Electric Company. Prior to the formation of Cinergy, I was
17 Chairman and Chief Executive Officer of PSI Resources and PSI Energy. Before
18 coming to PSI Resources in October 1988 as Chief Executive Officer, I was
19 Executive Vice President of the gas pipeline group of Enron Corp. ("Enron"), and
20 President of Enron's interstate natural gas pipeline companies from 1985 to 1988.
21 From 1979 to 1981 and from 1983 to 1985, I was in private law practice in
22 Washington, D.C., with the law firm of Akin, Gump, Strauss, Hauer & Feld.

1 During that time, I represented natural gas pipelines, gas producers and electric
2 utilities before the Federal Energy Regulatory Commission (the "FERC") and
3 various federal courts. From 1981 to 1983, I was deputy general counsel for
4 litigation and enforcement at the FERC. In that position, I directed the FERC's
5 litigation efforts in cases involving electric rates, hydroelectric licensing, gas
6 producer and gas pipeline rates. I began my career with the Kentucky Attorney
7 General's office, representing consumer interests in utility cases.

8 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL AFFILIATIONS.**

9 A. I am the immediate past Chairman and served on the Executive Committee of the
10 Edison Electric Institute. I also serve on the boards of the American Gas
11 Association, U.S. Chamber of Commerce, Business Roundtable and the National
12 Coal Council. I am Co-Chair of the Energy Efficiency Action Plan Leadership
13 Group (the "Leadership Group"), formed by the U.S. Department of Energy and the
14 U.S. Environmental Protection Agency ("EPA") and approximately 50 leading
15 electric and gas utilities, state utility commissioners, state air and energy agencies,
16 energy service providers, energy consumers and energy efficiency and consumer
17 advocates. The Leadership Group was formed to drive an aggressive new national
18 commitment to energy efficiency. I am a Director of Fifth Third Bancorp and Cigna
19 Corporation. I also am a member of the boards of directors of the Nuclear Energy
20 Institute, the Institute of Nuclear Power Operations, the Alliance to Save Energy,
21 and the Nicholas Institute for Environmental Policy Solutions at Duke University.

22 **Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE THIS COMMISSION?**

1 A. Although I have testified previously before several state public utility commissions,
2 this is my first opportunity to appear before this Commission.

3 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
4 **PROCEEDING?**

5 A. The purpose of my testimony is to explain the impetus for Duke Energy Carolinas'
6 "save-a-watt" energy efficiency¹ proposal as set forth in the Company's Application
7 for Approval of Energy Efficiency Plan, Including an Energy Efficiency Rider and
8 Portfolio of Energy Efficiency Programs (the "Application") filed with the
9 Commission on September 28, 2007. More specifically, my testimony explains why
10 an increased focus on energy efficiency is necessary and why a new regulatory
11 model for energy efficiency is needed. My testimony also describes the key
12 characteristics of an improved regulatory approach to energy efficiency.
13 Additionally, my testimony explains why utilities are important players in this
14 energy efficiency arena. Finally, my testimony describes the key elements of Duke
15 Energy Carolinas' proposed save-a-watt proposal, and explains how the proposal
16 satisfies these key regulatory characteristics.

17 **Q. PLEASE SUMMARIZE THE PRINCIPAL CONCLUSIONS EXPRESSED**
18 **IN YOUR TESTIMONY.**

19 A. Duke Energy Carolinas' proposed approach to energy efficiency – what we refer to
20 as the save-a-watt approach – is predicated on two principal aspirations for our
21 company, our industry and our country over the next century: (1) to create the most

¹ The term "energy efficiency," as used in my testimony, includes both energy efficiency/conservation and demand response measures.

1 energy-efficient economy in the world; and (2) to substantially “de-carbonize” the
2 energy supply. I believe that these related aspirations will help our nation achieve a
3 sustainable and secure energy future for its citizens, and I believe a new, improved
4 approach to energy efficiency is needed if we are going to achieve these important
5 aspirations.

6 What is needed is an approach to utility-sponsored energy efficiency that
7 will stimulate investment and innovation in energy efficiency products and services,
8 on the one hand, and widespread customer participation, on the other. By failing to
9 recognize that energy savings can be just as valuable as energy production and by
10 failing to treat energy efficiency as a mainstream utility business, our current
11 regulatory models have been unable to achieve the level of investment, innovation
12 and participation that is needed to achieve a world class energy efficient economy.
13 The current regulatory model of program cost and “lost revenue” recovery is simply
14 not sufficient to encourage significant investments in energy efficiency technology,
15 products, and services. In contrast, I believe our save-a-watt approach can attract
16 the necessary capital and ingenuity to place us on a path toward a more sustainable
17 and secure energy future.

18 However, this is only the first step. Traditional energy efficiency programs
19 have focused mostly on consumer education and providing incentives to encourage
20 customers to understand the importance of efficiency programs and respond - “top
21 of mind” - to utility suggestions that they take action. I have come to believe,
22 however, that a lasting and sustainable shift in the way we use electricity will

1 require a “back of mind” approach, where customers can not only take for granted
2 that the lights will come on when they flip the switch, but also that they are using
3 that energy efficiently. I envision a future where energy efficiency is part of a
4 utility’s standard offer. Under this new standard offer, customers would have to opt
5 out of energy efficiency programs, not opt in. As a result, customers would have to
6 take action to avoid becoming energy efficient.

7 **II. THE IMPORTANCE OF ENERGY EFFICIENCY TODAY, AND**
8 **THE NEED FOR A NEW REGULATORY MODEL**

9
10 **Q. WHY IS AN INCREASED EMPHASIS ON ENERGY EFFICIENCY**
11 **NECESSARY?**

12 **A.** There are several compelling reasons for increasing the electric utility industry’s
13 focus on energy efficiency programs (both conservation and load management) at
14 this point in time. First and foremost, our industry continues to be subject to
15 increasingly stringent emissions reduction requirements. Following the 1990 Clean
16 Air Act Amendments, and the more recent Clean Air Interstate Rule (“CAIR”) and
17 Clean Air Mercury Rule (“CAMR”), Duke Energy, along with the rest of the
18 industry, has had to significantly reduce sulfur dioxide (“SO₂”), nitrous oxide
19 (“NO_x”), mercury, and particulate emissions. Environmental regulations are only
20 going to become more stringent. For example, regulations of carbon dioxide
21 (“CO₂”) emissions are likely to be enacted in the near future. Just like advanced
22 clean coal, natural gas, nuclear generation, and renewable energy, energy efficiency
23 programs can help meet Duke Energy Carolinas’ customers’ growing demands for
24 electric energy in a more environmentally-friendly way. Energy efficiency can be

1 one of the most valuable pieces of the puzzle, because the most environmentally
2 sound, cost-effective and reliable kilowatt of electricity may well be the one we do
3 not have to generate. In fact, unlike most supply-side resource options, energy
4 efficiency is a “zero emissions” component of our resource portfolio. Given the
5 current and expected future emissions reduction requirements, and the increasing
6 concerns about climate change, it is essential that electric utilities fully utilize cost-
7 effective energy efficiency options.

8 Second, customer demand for electricity in the Company’s service territory
9 is growing rapidly and the costs of providing the required supply-side resource
10 options to meet this demand have been increasing significantly. Both the
11 construction costs (e.g., steel, concrete, and skilled labor), and the associated fuel
12 costs (e.g., coal, natural gas, and uranium) have increased more rapidly than the
13 overall rate of inflation in recent years. The increasingly stringent emissions
14 reduction requirements add additional costs to supply-side resource options, as well.

15 As a result, energy efficiency options are becoming relatively more cost-effective,
16 and can play a more important role in terms of keeping the overall costs of
17 electricity reasonable. In addition, energy efficiency programs have the added
18 benefit of giving customers more control over their energy usage and their energy
19 bills.

20 Given the pressures we face from increasing environmental compliance
21 regulations, higher costs, and rising customer loads, our industry needs to more fully

1 embrace energy efficiency and capitalize on energy efficiency's status as a "zero
2 emissions fifth fuel."

3 **Q. WHY IS A DIFFERENT REGULATORY APPROACH TO ENERGY**
4 **EFFICIENCY NECESSARY TO ACHIEVE THE FULL POTENTIAL OF**
5 **ENERGY EFFICIENCY AS A "FIFTH FUEL"?**

6 A. The current regulatory approach to utility-sponsored energy efficiency programs
7 across most of the country fails to truly put energy efficiency on a level playing field
8 with supply-side options. As a consequence, utilities have a natural incentive to
9 focus more on supply-side options than on demand-side options.

10 For example, utilities generally have an opportunity to achieve earnings on
11 their supply-side investments, yet that opportunity to achieve the same level of
12 earnings is typically not available for demand-side investments. Instead, the
13 conventional regulatory treatment for demand-side investments consists of actual,
14 out-of-pocket cost recovery, and perhaps lost revenue recovery and/or a "shared
15 savings" incentive. Additionally, unlike supply-side options, energy efficiency
16 programs actually reduce utilities' energy sales, providing another natural
17 disincentive for fully capitalizing on energy efficiency. The current regulatory
18 models have yet to fully address these natural disincentives.

19 As the EPA's National Action Plan for Energy Efficiency recognizes, "due
20 to a number of obstacles, including utility incentive structures that link utilities'
21 financial health to energy sales and the lack of standard methods for incorporating
22 energy efficiency resources as part of resource planning efforts that allow efficiency

1 to compete with new supply and transmission, *as a nation we are not capturing the*
2 *true potential of cost-effective energy efficiency impacts.*² If we are going to
3 successfully address climate change, and keep energy rates reasonable, it is
4 imperative that we capture energy efficiency's full economic potential.

5 Energy efficiency is not a "silver bullet." We cannot rely on energy
6 efficiency alone to meet growing consumer needs. However, assuming the right
7 regulatory framework and resulting substantial investments in demand-response and
8 other advanced technologies, the savings energy efficiency generates will help
9 ensure a reliable, affordable and clean supply of energy to fuel a growing economy
10 and a sustainable energy future. Working together, using energy efficiency as one of
11 the critical pieces and "daring to commit" to new ways of thinking about energy, we
12 can solve the energy puzzle for future generations.

13 **Q. WHAT, IN YOUR VIEW, ARE THE KEY CHARACTERISTICS OF A**
14 **BETTER REGULATORY APPROACH TO ENERGY EFFICIENCY?**

15 A. The primary goals, in my view, should be to encourage the pursuit of all cost-
16 effective energy efficiency, by truly putting energy efficiency on a level playing field
17 with supply-side options, and *focusing on the value we are creating for customers.*

18 In order to do this, our regulatory models need to do the following:

- 19 (1) *Treat energy efficiency as a resource* – a "fifth fuel" capable of providing a
20 cost-effective and emissions-free option for meeting our growing electricity
21 demands. Because energy efficiency is a resource, just as are power plants,

² Source: EPA Energy Efficiency Action Plan, http://www.epa.gov/solar/pdf/ee_plan.pdf
(emphasis added).

1 our regulatory models should treat energy efficiency as a production cost,
2 with pricing for a utility's energy efficiency achievements tied to the value
3 of energy efficiency to customers – the utility's avoided costs of production.

4 By truly treating energy efficiency as a resource, not only in the integrated
5 resource planning ("IRP") context but also in the pricing and ratemaking
6 context, we can provide the utility an opportunity to earn comparable
7 earnings and achieve comparable earnings growth for its investors on energy
8 efficiency investments as it does on supply-side investments, thus
9 stimulating investments and innovation in energy efficiency.

10 (2) *Recognize that as energy savings increase, electricity sales will diminish* (as
11 will generation additions). Thus, ultimately, it is important that our
12 regulatory models mitigate or neutralize the financial consequences from the
13 successful implementation of energy efficiency programs that reduce energy.

14 (3) *Focus on performance, on resource impacts achieved, and on value created*
15 *for customers.* This focus on results involves providing for independent
16 measurement and verification of energy- and demand-reduction impacts
17 resulting from the energy efficiency programs, so that customers have
18 assurance that, just like with a power plant, they are getting what they are
19 paying for, in terms of energy and demand-saving impacts.

20 **Q. WHY ARE UTILITIES IMPORTANT PLAYERS IN THE ENERGY**
21 **EFFICIENCY ARENA?**

1 A. There are a number of reasons why Duke Energy believes that utilities should play
2 an important part in the delivery of energy efficiency products and services, and why
3 utilities should receive incentives for making energy efficiency investments. First,
4 utilities possess the best ability to systematically capture productivity gains in the
5 use of electricity. Utilities are uniquely positioned to access the “aggregation value”
6 that is driven by the law of large numbers – the ability to achieve and leverage
7 widespread customer participation. Second, utilities are already considered to be
8 energy experts by our customers, and can build on these existing customer
9 relationships. As such, utilities are better positioned to speed the development of
10 new technologies. Third, utilities have a lower cost of capital than virtually all of
11 our customers and are much more comfortable with longer payback periods on
12 investments (for example, consider a 40-year power plant life). Additionally,
13 utilities are uniquely positioned to customize energy efficiency offerings and timing
14 to match and optimize the utility’s resource needs. For example, demand-response
15 programs can be used to offset the utility’s peaking needs and conservation
16 programs can be used to offset the utility’s intermediate and base load generation
17 needs.

18 **III. SAVE-A-WATT PROPOSAL**

19 **Q. WHAT ARE THE KEY ATTRIBUTES OF DUKE ENERGY CAROLINAS’**
20 **SAVE-A-WATT PROPOSAL?**

21 A. The key attributes of Duke Energy Carolinas’ proposal are as follows:

1 ⇒*Creating Value for Customers* - By helping our customers save energy, we avoid
2 the cost of building new power plants, and we help customers to reduce their overall
3 bills. We can provide “value” to our customers by helping them save energy, just as
4 we do by supplying it.

5 ⇒*Providing Universal Access to Energy Efficiency*— Our energy efficiency products
6 and services will be convenient, affordable and reliable and available to all
7 customers. Customers will not have to sacrifice comfort or convenience. They will
8 not have to change the way they live or what they do. This is our goal.

9 ⇒*Treating Energy Efficiency as a True Resource, on a Level Playing Field with*
10 *Supply-Side Options* -- The save-a-watts created will be a cost-effective option for
11 customers. Our model will ensure that outcome by tying the price charged for save-
12 a-watts to a discounted avoided cost calculation (avoided cost less 10%).
13 Importantly, this methodology focuses on the value that we are creating for
14 customers, rather than the costs incurred, with that value calculated by reference to
15 the avoided supply-side costs. The new energy-saving program of the future must
16 compensate utilities for delivering “value” to its customers. We believe that this
17 method provides an appropriate incentive to the Company to develop and
18 implement energy efficiency and demand-side programs to achieve substantial
19 energy and capacity savings, while also providing a “win” for customers in terms of
20 a discount from the costs that would otherwise need to be incurred.

21 ⇒*Aligning Risk and Reward*. Under our proposal, the utility makes the investments
22 in energy efficiency up front and assumes the risk that the program will work – *i.e.*,

1 that the utility can successfully implement programs, enroll customers, and produce
2 actual energy and demand savings impacts. The utility is only compensated for
3 actual, verifiable energy and demand savings impacts. Bringing together the
4 concept of risk and reward is in stark contrast to energy efficiency regulatory
5 structures implemented elsewhere. This is truly a performance incentive plan to
6 stimulate productivity gains in the use of electricity. This turns the “fifth fuel” into
7 the “first choice” for meeting growing demands for energy.

8 *⇒Independent Verification of Energy Efficiency Impacts.* As referenced above, the
9 proposal includes verification of energy efficiency impacts by an independent third
10 party. All of these attributes are also nicely summarized in a New York Times op-ed
11 column authored by Thomas Friedman, which is attached as an exhibit to my
12 testimony (*see* Rogers Exhibit No. 1).

13 **Q. HOW DOES DUKE ENERGY CAROLINAS’ SAVE-A-WATT PROPOSAL**
14 **MEET THESE REQUIREMENTS?**

15 A. Duke Energy Carolinas proposes to implement a comprehensive set of cost-effective
16 energy efficiency programs, and to be compensated by receiving through a rider
17 90% of the avoided fixed and variable supply-side costs. Under this proposal, we
18 have an opportunity – but not a guarantee – to cover our program costs and earn a
19 return on our energy efficiency investments. At the same time, due to our proposal
20 for independent measurement and verification, we will only be paid for the actual
21 demand- and energy-reduction impacts we achieve through our programs. I believe
22 our proposal represents (i) a win for our customers, by encouraging the pursuit of all

1 cost-effective energy efficiency at a cost to customers that is lower than supply-side
2 alternatives; (ii) a win for our investors, by giving us an opportunity to earn
3 comparable earnings and achieve comparable growth in earnings for them as we
4 would with supply-side investments; and (iii) a win for the environment, by making
5 “zero emissions” energy efficiency a more prominent component of our total
6 resource portfolio. Moreover, the save-a-watt program can serve as a model to other
7 utilities to a new way of thinking about energy efficiency. Through the energy
8 efficiency plan proposed in our Application, I believe that we can begin to create a
9 blueprint for a sustainable energy future.

10 **IV. CONCLUSION**

11 **Q. HOW IS THE REMAINDER OF THE COMPANY’S TESTIMONY**
12 **ORGANIZED?**

13 **A.** In addition to me, Duke Energy Carolinas will present the following witnesses in
14 support of the Company’s Application:

- 15 (1) Ellen T. Ruff, President of Duke Energy Carolinas, discusses the need for the
16 save-a-watt regulatory model in South Carolina.
- 17 (2) Judah Rose, Managing Director of ICF International, provides an economic
18 analysis of Duke Energy Carolinas’ save-a-watt model.
- 19 (3) Jane Sadowsky, Senior Managing Director of Evercore Partners, provides a
20 financial analyst perspective on the Company’s save-a-watt model.

1 (4) Theodore E. Schultz, Vice President of Energy Efficiency for Duke Energy,
2 describes the portfolio of energy efficiency programs contained in the
3 Company's Application.

4 (5) Janice D. Hager, Managing Director of Integrated Resource Planning and
5 Environmental Strategy for Duke Energy, describes how energy efficiency is
6 reflected in the Company's Integrated Resource Plan.

7 (6) Richard G. Stevie, Managing Director of Customer Market Analytics for Duke
8 Energy, explains the DSMore model used to evaluate energy efficiency.

9 (7) Nick Hall, President of TecMarket Works, discusses the adequacy of the
10 Company's program evaluation protocols and proposed measurement and
11 verification method.

12 (8) Stephen M. Farmer, self-employed Independent Contractor, explains how the
13 Company's proposed Energy Efficiency Rider is calculated.

14 (9) Dwight Jacobs, Vice President, Franchised Electric and Gas Accounting,
15 discusses the Company's proposed accounting and reporting treatment for
16 energy efficiency program costs and earnings.

17 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

18 **A. Yes.**

August 22, 2007

OP-ED COLUMNIST

Go Green and Save Money

By **THOMAS L. FRIEDMAN**

Have your eyes recently popped out of your head when you opened your electric bill? Do you, like me, live in one of those states where electricity has been deregulated and the state no longer oversees the generation price so your utility rates have skyrocketed since 2002?

If so, you need to listen to a proposal being aired by Jim Rogers, the chairman and chief executive of Duke Energy, and recently filed with the North Carolina Utilities Commission. (Duke Energy is headquartered in Charlotte.) It's called "save-a-watt," and it aims to turn the electricity/utility industry upside down by rewarding utilities for the kilowatts they save customers by improving their energy efficiency rather than rewarding them for the kilowatts they sell customers by building more power plants.

Mr. Rogers's proposal is based on three simple principles. The first is that the cheapest way to generate clean, emissions-free power is by improving energy efficiency. Or, as he puts it, "The most environmentally sound, inexpensive and reliable power plant is the one we don't have to build because we've helped our customers save energy."

Second, we need to make energy efficiency something that is as "back of mind" as energy usage. If energy efficiency depends on people remembering to do 20 things on a checklist, it's not going to happen at scale.

Third, the only institutions that have the infrastructure, capital and customer base to empower lots of people to become energy efficient are the utilities, so they are the ones who need to be incentivized to make big investments in efficiency that can be accessed by every customer.

The only problem is that, historically, utilities made their money by making large-scale investments in new power plants, whether coal or gas or nuclear. As long as a utility could prove to its regulators that the demand for that new plant was there, the utility got to pass along the cost, and then some, to its customers. Mr. Rogers's save-a-watt concept proposes to change all of that.

"The way it would work is that the utility would spend the money and take the risk to make its customers as energy efficient as possible," he explained. That would include installing devices in your home that would allow the utility to adjust your air-conditioners or refrigerators at peak usage times. It would include plans to incentivize contractors to build more efficient homes with more efficient boilers, heaters, appliances and insulation. It could even include partnering with a factory

to buy the most energy-efficient equipment or with a family to winterize their house.

“Energy efficiency is the ‘fifth fuel’ — after coal, gas, renewables and nuclear,” said Mr. Rogers. “Today, it is the lowest-cost alternative and is emissions-free. It should be our first choice in meeting our growing demand for electricity, as well as in solving the climate challenge.”

Because energy efficiency is, in effect, a resource, he added, in order for utilities to use more of it, “efficiency should be treated as a production cost in the regulatory arena.” The utility would earn its money on the basis of the actual watts it saves through efficiency innovations. (California’s “decoupling” systems goes partly in this direction.)

At the end of the year, an independent body would determine how many watts of energy the utility has saved over a predetermined baseline and the utility would then be compensated by its customers accordingly.

“Over time,” said Mr. Rogers, “the price of electricity per unit will go up, because there would be an incremental cost in adding efficiency equipment — although that cost would be less than the incremental cost of adding a new power plant. But your overall bills should go down, because your home will be more efficient and you will use less electricity.”

Once such a system is in place, Mr. Rogers added, “our engineers would wake up every day thinking about how to squeeze more productivity gains out of new technology for energy efficiency — rather than just how to build a bigger transmission or distribution network to meet the growing demands of customers.” (Why don’t we think about incentivizing U.S. automakers the same way — give them tax rebates for save-a-miles?)

That is how you produce a more efficient energy infrastructure at scale. “Universal access to electricity was a 20th century idea — now it has to be universal access to energy efficiency, which could make us the most energy productive country in the world,” he added.

Pulling all this off will be very complicated. But if Mr. Rogers and North Carolina can do it, it would be the mother of all energy paradigm shifts.

Maureen Dowd is off today.

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CERTIFICATE OF SERVICE

This is to certify that I, Leslie L. Allen, a legal assistant with the law firm of Robinson, McFadden & Moore, P.C., have this day caused to be served upon the person(s) named below the **Testimony of James E. Rogers** in the foregoing matter by placing a copy of same in the United States Mail, postage prepaid, in an envelope addressed as follows:

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Dated at Columbia, South Carolina this 10th day of December, 2007.



Leslie L. Allen